Assembly elections in Punjab, Tamil Nadu and Assam

*86. DR. G. VIJAYA MOHAN REDDY:
DR. RATNAKAR PANDEY:

Will the Minister of LAW AND JUSTICE be pleased to state by when Government propose to hold Assembly elections in Punjab, Tamil Nadu and Assam?

THE MINISTER OF COMMERCE WITH ADDITIONAL CHARGE OF THE MINISTRY OF LAW AND JUSTICE (DR. SUBRAMANIAN SWAMY): The States of Punjab, Tamil Nadu and Assam are presently under President's rule. The decision for holding elections to the Legislative assemblies of these States will be taken at approapriate time, keeping in view the situation obtaining in the respective States. Election Commission has, in the meanwhile, taken necessary steps to be in a position to hold elections in these States at short notice.

Simplification of FERA Regulations

*87. SHRI BEKAL UTSAHI:
SHRI V. NARAYANSAMY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering any proposal for the simplification of investment and tax laws and FERA regulations to attract NRI investment in the country;

(b) if so, what are the details thereof;

(c) whether Government have received any suggestions in this regard from some NRI organisations; and

(d) if so, what are the details thereof and Government's reaction thereto?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) NRI Investment Policy related tax laws, Foreign Exchange Regulation Act (FERA), 1973 and other related rules and procedures are continuously reviewed with a view to removing irritants and bottlenecks.

(c) Suggestions are received from time to time from NRI organisations and individuals.

(d) Constant effort is made to streamline procedures in the light of suggestions received from various quarters.

Liberalisation of Foreign Investment norms

*88. DR. Z. A. AHMAD:
SHRI N. E. BALARAM:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering a proposal for liberalising the foreign investment norms; and

(b) if so, what are the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) Foreign Investment is welcome in areas consistent with our national goals and perspective. Such investments will continue to be allowed within the framework of national priorities especially for purpose of modernisation, meeting critical gaps in technology and production, and for boosting exports.

Foreign Exchange loss to India due to Gulf War

*89. SHRI ATAL BIHARI VAJPAYEE:
SHRI PRAMOD MAHAJAN:

Will the Minister of FINANCE be pleased to state:

(a) the estimated loss of foreign exchange to India by way of workers' remittances, royalties, service fees,

tourism, trade with Iraq, Kuwait and other Gulf countries as a result of Gulf war; and

(b) the steps being taken to make up this loss and to check its impact on Indian economy?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) The Gulf war is estimated to result in a significantly adverse impact on foreign excahnge inflows in India from the Gulf countries. It is estimated that during 1988-89 remittances from Kuwait amounted to $ 200 million while from Iraq these were $ 5 million. Thus, about $ 200 million of remittances will no longer be forthcoming. Further, Gulf countries are the sources of about 66 per cent NRERA flows with about 18 per cent of these coming from Kuwait. Such flows have failed to maintain the buoyancy since August, 1990.

In terms of loss of trade, in 1989-90 West Asain countries accounted for about 6.7 per cent of India's exports with Kuwait accounting for 0.7 per cent and Iraq about 0.5 per cent. The immediate impact of the Gulf Crisis could, thus, mean a loss of about $ 200-250 million if loss of exports to Iraq and Kuwait is alone considered. Apart from this, annual deferred payments to the extent of Rs. 170 crores due from Iraq is also unlikely to be realised at least in short-term.

(b) To compensate for the estimated loss in foreign exchange inflows, the Government have initiated a number of measures to promote exports and curtail non-essential imports. Attempts are also being made to augment foreign exchange earnings through capital inflows including accelerated disbursement of external assistance. In addition, a number of measures for raising revenues and controlling expenditure have also been taken to moderate the fiscal impact on the Indian Economy.

Enquiry into the functioning of M/s. Pepsi Foods Private Ltd.

*90. SHRI SHANTI TYAGI:
SHRI RAM JETHMALANI:

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether it is a fact that Government have set a Committee at the administrative level to enquire into the functioning of M/s. Pepsi Foods Private Ltd.;

(b) whether it is also a fact that the said committee has since submitted its report to Government; and

(c) if so, what are the findings of the committee and what decision has so far been taken by Government thereon?

THE MINISTER OF TEXTILES AND FOOD PROCESSING INDUSTRY (SHRI HUKAMDEO NARAYAN YADAV): (a) Yes, Sir. A team consisting of three officers was deputed to make on the spot study of various units under the Pepsi Project.

(b) Yes, Sir.

(c) Since it involves other Departments like Finance, Commerce and Agriculture besides Food Processing Industries, it has been decided to form a Joint Committee consisting of above Departments to process the report in all aspects.

लघु उद्योग क्षेत्र द्वारा निर्यातों में वृद्धि करने के लिए कदम

*91. श्री राम जेठमलानी :
सरदार जगजीत सिंह अरोड़ा :

क्या वाणिज्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार का ध्यान 14 जनवरी, 1991 को "दा हिन्दु" में "स्माल सेक्टर हैज गुड स्कोप टू बूस्ट एक्सपोर्ट्स" शीर्षक के अन्तर्गत प्रकाशित समाचार की ओर दिलाया गया है ;